

POTPOURRI NOTICE

Department of Environmental Quality
Office of Environmental Assessment
Environmental Planning Division

Amendments to Office of the Secretary, Air, Hazardous Waste, Solid Waste, Water Quality,
Underground Storage Tank, and Radiation Protection Regulations for Fees
OS041
Risk/Cost/Benefit Statement
(0305Pot1)

Introduction

The Louisiana Department of Environmental Quality (LDEQ) has amended the Office of the Secretary, Air, Hazardous Waste, Solid Waste, Water Quality, Underground Storage Tank, and Radiation Protection Regulations to increase the fees collected in these programs by 20 percent in Fiscal Year 2003 and by an additional 10 percent in Fiscal Year 2004. The 10 percent increase is above those in effect for Fiscal Year 2003. The Department collects these fees, designated for the Environmental Trust Fund, from members of the regulated community covered by these programs. Act 134 of the 2002 First Extraordinary Session of the Louisiana Legislature authorized the increase in fees.

The fee increase will provide funding to be expended by the Department to fund some portion or all of the 150 positions that are currently authorized in the current year's budget, but which are below the line in the Fiscal Year 2003 Executive Budget. Some of these funds would also be expended on equipment.

This statement is prepared to satisfy the requirements of R.S. 30:2019.D and R.S. 49:953.G (Acts 600 and 642 of the 1995 Louisiana Legislature, respectively). However, this document is not a quantitative analysis of cost, risk, or economic benefit, although costs of implementation were identified to the extent practical. The statutes allow a qualitative analysis of economic and environmental benefit where a more quantitative analysis is not practical. The Department asserts that the benefits of a rule designed to retain personnel in departmental programs justify the costs associated with the legislatively passed fee increases.

Therefore, the qualitative approach is taken with this risk/cost benefit statement. As discussed further in this document, these amendments to the Office of the Secretary, Air, Hazardous Waste, Solid Waste, Water Quality, Underground Storage Tank, and Radiation Protection Regulations provide environmental and economic benefits. Assessing dollar benefits of avoided environmental risk or economic benefits of this rule is not practicable. In addition, the Department asserts that the indirect and direct environmental and economic benefits to be derived from this rule will, in the judgment of reasonable persons, outweigh the costs associated with the implementation of the rule and that the rule is the most cost-effective alternative to achieve these benefits.

Risks Addressed by the Rule

The rule addresses the risks associated with the potential pollution or toxic releases caused or exacerbated by inadequate or lack of department-sponsored inspections. The rule does this by providing the funds necessary to hire the appropriate number of inspectors to conduct the mandated number of inspections of regulated facilities. The fees will also allow the Department to train the

newly hired inspectors and provide them with the necessary equipment required to carry out their job functions.

Numerous risks are associated with inadequate, unskilled or no inspections of facilities and/or sites with the potential to discharge wastes into the environment. Unauthorized discharges to the environment have the potential to contaminate air, land, water and, particularly, groundwater. Contamination of drinking water wells and aquifers used for potable water poses a significant threat to human health. Inspections also uncover unauthorized waste sites that, at a minimum, may be remediated by the landowner or, at a maximum, become Superfund sites. Undiscovered waste tires hold water that provides a fertile breeding ground for mosquitoes, which provide an excellent vector for diseases. Tire sites also provide shelter for vermin, such as rats, that are another vector for disease, in addition to being a destructive pest.

Environmental and Health Benefits of the Rule

The additional money collected through this rule will provide the inspectors necessary to carry out the inspection mandates of the Department. This will result in multimedia inspections of waste-producing facilities around the state as required by local, state and federal mandates. The fees will allow the monitoring of facilities that is necessary for curbing releases into the environment. The fee increases will also contribute to the discovery and remediation of unauthorized waste sites around the state, including unauthorized dumps and waste tire sites. These sites, in addition to being eyesores on the landscape, have the potential for adverse impacts on human health.

Social and Economic Costs

This rule is an amendment to raise fees that are already assessed, and as such, there are no significant costs to implement the rule. Representatives of the regulated community are in favor of the proposed increase to fund the Department at a level necessary to carry out its mandates.

Persons currently regulated by the Office of the Secretary, Air, Hazardous Waste, Solid Waste, Water Quality, Underground Storage Tank, and/or Radiation Protection Regulations would pay an additional 20 percent in fees in FY 2003. These new fees would generate an estimated \$7.2 million in statutory dedicated fees. There would be an additional 10 percent increase in fees in FY 2004 that would generate an additional \$4.32 million over and above the \$7.2 million increase in FY 2003. The total effect of the rule would be an \$11.52 million fee increase beginning in FY 2004 and every year thereafter.

Persons directly affected will pay additional fees; however, these fees will provide benefits in excess of the fees. The adequate monitoring of regulated facilities would reduce or prevent unauthorized releases into the environment. In addition, health hazards will be removed in the form of unauthorized waste sites, and waste tire piles would be removed from the environment. These two functions will not only protect human health and the environment, but will aesthetically enhance the state for the benefit of its citizens.

Conclusion

The Department believes that the benefits of enhanced environmental and public health protection, as well as other benefits, outweighs the costs of implementation of the rule. Therefore, the rule is obviously the most cost-effective alternative to achieve these benefits.

James H. Brent, Ph.D.
Assistant Secretary